This record is a partial extract of the original cable. The full text of the original cable is not available.

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HO CHI 00735 01 OF 03 150909Z
PAGE 01
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ACTION EAP-00

CTME-00 DOEE-00 ITCE-00 E-00 INFO LOG-00 ACO-00 CEA-01 CIAE-00 SMEC-00 ITCE-00 SRPP-00 DS-00 EB-00 EXME-00 FBIE-00 UTED-00 VC-00 FRB-00 H - 01TEDE-00 INR-00 IO-00 ITC-01 L - 00VCE-00 AC-01 NSAE-00 OES-01 OIC-02 OMB-01 OPIC-01 CAEX-01 PA-00 PM-00 PRS-00 ACE-00 P = 0.0SP-00 IRM-00 SSO-00 STR-00 TEST-00 USIE-00 PMB-00 DSCC-00 PRM-01 DRL-02 G = 0.0NFAT-00 SAS-00 /013W

----F91F47 150909Z /38 FM AMCONSUL HO CHI MINH CITY TO SECSTATE WASHDC 5185 INFO AMEMBASSY HANOI AMEMBASSY TOKYO AMEMBASSY BEIJING AMEMBASSY CANBERRA AMCONSUL HONG KONG USMISSION GENEVA ASEAN COLLECTIVE USCINCPAC HONOLULU HI JICPAC HONOLULU HI SECDEF WASHDC DIA WASHDC NSC WASHDC

UNCLASSIFIED

PAGE 02 HO CHI 00735 01 OF 03 150909Z

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SIPDIS

DEPARTMENT FOR EAP/BCLTV AND EAP/PD/JMARTIN DEPARTMENT ALSO FOR DRL/IRF DEPARTMENT ALSO FOR USTR DEPARTMENT ALSO FOR OPIC, TDA, AND EXIMBANK CINCPAC FOR FPA SECDEF FOR ISA/EA/LSTERN DEPTTREAS FOR OASIA USDOC FOR 4431/MAC/AP/OKSA/HPPHO

E.O. 12958: N/A

DEPTTREAS WASHDC USDOC WASHDC

TAGS: PGOV PHUM PREL ETRD KIRF VM

SUBJECT: AMBASSADOR'S FAREWELL CALLS IN HCMC

11. SUMMARY: AMBASSADOR PETERSON PAID FAREWELL CALLS IN HCMC ON JUNE 11 AT THE CITY'S EXTERNAL RELATIONS OFFICE, AT THE HCMC COMMUNIST PARTY HEADQUARTERS, AND AT THE HCMC PEOPLE'S COMMITTEE. THE AMBASSADOR REVIEWED THE PROGRESS MADE IN THE BILATERAL RELATIONSHIP OVER THE PAST FOUR YEARS, NOTING THAT RATIFICATION OF THE BILATERAL TRADE AGREEMENT (BTA) WHICH IS NOW BEFORE THE U.S. CONGRESS, WOULD MARK THE FINAL STEP IN THE NORMALIZATION PROCESS. REMARKING ON THE RISE IN THE STANDARD OF LIVING IN HCMC OVER THE PAST FEW YEARS, THE AMBASSADOR SAID HE BELIEVED IMPROVED BILATERAL RELATIONS HAVE HAD A SOCIAL AS WELL AS AN ECONOMIC IMPACT ON THE VIETNAMESE PEOPLE. HE SAID THE USG WOULD LIKE TO TAKE A COOPERATIVE RATHER THAN CONFRONTATIONAL APPROACH TO THE OBJECTIVE OF IMPROVING CONDITIONS FOR HUMAN RIGHTS. HE STATED USG UNCLASSIFIED

PAGE 03 HO CHI 00735 01 OF 03 150909Z
OBJECTIONS TO THE RECENT ARRESTS OF RELIGIOUS FIGURES
IN VIETNAM. WHILE ACKNOWLEDGING THAT ALLOWING GREATER
POLITICAL AND SOCIAL FREEDOMS CARRIES THE RISK OF LESS
STABILITY, HE STATED EMPHATICALLY THAT THE RISKS ARE
FAR OUTWEIGHED BY THE UNLEASHING OF SOCIAL CREATIVITY
AND PRODUCTIVITY. ALTHOUGH HIS VIETNAMESE INTERLOCUTORS DEFENDED THEIR HANDLING OF "SUBVERSIVES" AND EXPLAINED THEIR OUTLOOK REGARDING A FREE SOCIETY VERSUS A STABLE SOCIETY, THEY APPEARED TO BE SINCERE IN THEIR COMMENTS. THEY THANKED THE AMBASSADOR FOR HIS EFFORTS IN NORMALIZING RELATIONS, EXPRESSED HOPE FOR EARLY RATIFICATION OF THE BTA, AND SAID THEY LOOKED FORWARD TO CONTINUING TO BUILD ON THE FOUNDATION OF TRUST AND FRIENDSHIP ESTABLISHED BETWEEN THE TWO COUNTRIES THUS FAR. END SUMMARY.

- 12. AT THE HCMC EXTERNAL RELATIONS OFFICE (THE HCMC BRANCH OF THE FOREIGN MINISTRY), AMBASSADOR PETERSON PAID A FAREWELL CALL ON DIRECTOR LE QUOC HUNG. HUNG WAS NAMED DIRECTOR IN APRIL. PREVIOUSLY, HE WAS ONE OF THREE DEPUTY DIRECTORS AND WAS THE PERSON IN CHARGE OF COORDINATING THE HCMC PORTION OF PRESIDENT CLINTON'S VISIT TO HCMC IN NOVEMBER. AMBASSADOR THANKED HUNG FOR THE SUPPORT OF HIS OFFICE OVER THE PAST FOUR YEARS, PARTICULARLY FOR ASSISTANCE ON VIP VISITS, AND ESPECIALLY THAT OF PRESIDENT CLINTON.
- 13. OVER THE PAST FOUR YEARS, THE BILATERAL RELATIONSHIP UNCLASSIFIED
- PAGE 04 HO CHI 00735 01 OF 03 150909Z HAS MATURED, THE AMBASSADOR SAID, AND HAS BECOME MORE COMPLEX. THE TWO COUNTRIES WILL NOT ALWAYS AGREE ON EVERY ISSUE, SO IT IS IMPORTANT TO CONTINUE TO BUILD ON THE LEVEL OF TRUST THAT HAS BEEN ACHIEVED THUS TAR. WE HAVE REACHED A POINT WHERE WE CAN DISAGREE ON SOME THINGS WHILE CONTINUING TO MOVE AHEAD ON OTHERS.
- 14. THE AMBASSADOR STRESSED THE IMPORTANCE OF ALLOWING U.S. DIPLOMATS TO TRAVEL AND MEET PEOPLE FREELY. U.S. MISSION OFFICERS CAN BE COUNTED ON TO REPORT OBJECTIVELY, AND IN THIS WAY CAN BE ALLIES IN DISPELLING EXAGGERATIONS AND RUMORS. WE WILL REPORT ON THINGS WE DO NOT AGREE ON, SUCH AS THE DETENTION OF INDIVIDUALS FOR PEACEFULLY EXPRESSING THEIR OPINIONS, BUT WE WILL ALSO REPORT ON THE POSITIVE THINGS VIETNAM IS DOING.
- 15. DIRECTOR HUNG AGREED THAT THE TWO COUNTRIES HAVE BUILT A FOUNDATION OF TRUST IN THE FEW YEARS SINCE DIPLOMATIC RELATIONS WERE ESTABLISHED. HE ADDED, HOWEVER, THAT IN SOME PLACES AT CERTAIN LEVELS OF GOVERNMENT, DISTRUST REMAINS THE LINGERING RESULTS OF A LONG AND PAINFUL WAR. IT WILL TAKE TIME, HE SAID, AND EFFORT TO KEEP THE RELATIONSHIP MOVING FORWARD. BECAUSE THE BTA WOULD BE A MAJOR STEP FORWARD, HE HOPED THE U.S. CONGRESS WOULD RATIFY THE BTA OUICKLY.
- 16. IN REPLY TO AMBASSADOR PETERSON'S REMARK THAT AMERICAN PEOPLE FEEL STRONGLY ABOUT HUMAN RIGHTS DUE TO THEIR HISTORY AS A NATION FOUNDED BY REFUGEES WHO HAD FLED INTOLERANCE, HUNG SAID HE UNDERSTOOD THE AMERICAN PERSPECTIVE. BUT HE SAID THE VIETNAMESE HISTORY OF 4000 YEARS OF FIGHTING OFF EXTERNAL INVADERS HAS MADE ITS MARK ON THE VIETNAMESE PSYCHE. VIETNAMESE PEOPLE VALUE INDEPENDENCE AND FREEDOM FROM OUTSIDE INTERFERENCE ABOVE ALL ELSE. INDIVIDUAL FREEDOMS ARE ALSO HIGHLY VALUED, BUT SHOULD BE LIMITED TO BALANCE THE EQUALLY VALUED CONCEPTS OF STABILITY AND SECURITY. HE NOTED THAT AT PRESENT, VIETNAM IS THE MOST POLITICALLY STABLE NATION IN SOUTHEAST ASIA. AND ITS UNCLASSIFIED
- PAGE 03 HO CHI 00735 02 OF 03 150909Z STABILITY IS ALLOWING VIETNAM TO DEVELOP ITS ECONOMY AND IMPROVE THE STANDARD OF LIVING FOR ITS PEOPLE.
- 17. AMBASSADOR PETERSON AGREED THAT FREEDOM SHOULD BE LIMITED TO ACTIVITY WITHIN THE RULE OF LAW, BUT HE QUESTIONED HOW ALLOWING ONE INDIVIDUAL, SUCH AS BUDDHIST THICH HUYEN QUANG, TO FREELY CHOOSE HIS PLACE OF RESIDENCE COULD HAVE ANY EFFECT ON VIETNAM'S SECURITY. ALLOWING GREATER FREEDOM TO EXPRESS OPINIONS DOES CARRY SOME RISKS, THE AMBASSADOR SAID, BUT THOSE ARE OUTWEIGHED BY FAR BY THE UNLEASHING OF SOCIETY'S POTENTIAL FOR CREATIVITY AND PRODUCTIVITY.

CALL AT HCMC COMMUNIST PARTY HEADQUARTERS

18. AMBASSADOR PETERSON ALSO MET WITH NGUYEN MINH TRIET, SECRETARY OF THE HCMC PARTY COMMITTEE AND FOURTH-

STPDTS

RANKING MEMBERS OF VIETNAM'S POLITBURO. (TRIET IS RUMORED TO BE THE FRONT-RUNNER TO SUCCEED PHAN VAN KHAI AS PRIME MINISTER WHENEVER KHAI STEPS DOWN.) THE AMBASSADOR THANKED TRIET FOR VIETNAM'S COOPERATION DURING THE FIRST YEARS OF NORMALIZATION. HE DREW PARTICULAR ATTENTION TO VIETNAM'S COOPERATION IN LOCATING AMERICAN MIA'S, WHICH WAS THE KEY TO ESTABLISHING DIPLOMATIC RELATIONS. HE EXPRESSED THE USG DESIRE TO ASSIST VIETNAM IN LOCATING ITS OWN MIAS.

19. THE AMBASSADOR TOLD TRIET THAT IT IS NORMAL FOR TWO COUNTRIES TO HAVE DIFFERENCES - IT IS THE MARK OF A MATURING RELATIONSHIP. HE SAID THE U.S. DIPLOMATIC UNCLASSIFIED

- PAGE 04 HO CHI 00735 02 OF 03 150909Z MISSION HAS A DEEP UNDERSTANDING OF VIETNAM, PERHAPS BETTER THAN AT ANY TIME IN THE PAST. THIS WAS DUE TO MISSION STAFF BEING ABLE TO TRAVEL AND MEET PEOPLE FREELY. HE NOTED THAT RECENT RESTRICTIONS ON TRAVEL TO THE CENTRAL HIGHLANDS HINDERED THE MISSION'S ABILITY TO UNDERSTAND THE TRUE PICTURE OF WHAT IS GOING ON THERE. HE WISHED TO SEE THOSE TRAVEL RESTRICTIONS LIFTED QUICKLY. HE ALSO SAID THE GOVERNMENT OF VIETNAM OUGHT TO ALLOW UBCV BUDDHIST PATRIARCH THICH HUYEN QUANG TO RETURN TO HIS FORMER RESIDENCE IN HCMC, AND SUGGESTED THE GVN MIGHT FIND IT EASIER TO DO THIS ON ITS OWN INITIATIVE RATHER THAN WAITING FOR INTERNATIONAL PRESSURE ON THE ISSUE TO BUILD.
- 110. TRIET SAID THAT HE WANTED THE U.S. MISSION AND OTHER OBSERVERS TO VISIT THE HIGHLANDS TO BE ABLE TO UNDERSTAND THE TRUE CIRCUMSTANCES THERE. HE SAID GENERALLY VIETNAM PLACES NO RESTRICTIONS ON TRAVEL WITHIN THE COUNTRY, BUT BECAUSE OF SAFETY CONCERNS, THERE ARE TEMPORARY RESTRICTIONS ON TRAVEL TO SOME PLACES IN THE HIGHLANDS. TRIET ALSO SAID VIETNAM RESPECTS RELIGIOUS ACTIVITIES, BUT RELIGIOUS PERSONS, LIKE OTHER CITIZENS, MUST ABIDE BY THE LAWS OF THE COUNTRY. HE SAID SOME INDIVIDUALS, BOTH WITHIN AND OUTSIDE THE COUNTRY, HAVE USED RELIGIOUS FREEDOM AS A PRETEXT FOR COMMITTING SUBVERSIVE ACTS. TRIET SAID HE REMEMBERED THAT IN HIS YOUTH (UNDER THE SOUTH VIETNAMESE REGIME), HE AND OTHER STUDENTS WERE NOT ALLOWED FREEDOM OF EXPRESSION, SO HE UNDERSTOOD THE IMPORTANCE OF AN OPEN, DEMOCRATIC SOCIETY.
- 111. THE AMBASSADOR NOTED THAT SEEN OVER THE LONG TERM, VIETNAM HAS MADE SIGNIFICANT IMPROVEMENT IN HUMAN RIGHTS. THE CHURCHES ARE FULL; THERE IS MORE OPENNESS AND MORE TOLERANCE OF CRITICISM. BUT RASH RESPONSES TO INDIVIDUALS WHO CHALLENGE THE GOVERNMENT ARE WHAT GRAB THE HEADLINES. THE USG WOULD LIKE TO COOPERATE WITH VIETNAM IN CREATING CONDITIONS FOR FURTHER IMPROVEMENTS IN HUMAN RIGHTS, AS WE HAVE IN OTHER AREAS. THE BTA, FOR EXAMPLE, WILL HAVE A POSITIVE IMPACT ON OUR TWO UNCLASSIFIED
- PAGE 03 HO CHI 00735 03 OF 03 150910Z COUNTRIES FOR GENERATIONS. THE USG HAS ALSO ESTABLISHED A NEW SCHOLARSHIP PROGRAM FOR VIETNAM THAT COULD HELP PROVIDE HIGHER EDUCATION TO UP TO 200 STUDENTS IN THE NEXT YEAR.
- 112. TRIET AGREED WITH THE AMBASSADOR THAT THE TWO COUNTRIES HAVE BUILT UP A FOUNDATION OF FRIENDSHIP AND TRUST IN THE FIRST FEW YEARS OF NORMALIZATION. ALTHOUGH SADDENED AT AMBASSADOR PETERSON'S DEPARTURE, HE LOOKED FORWARD TO WORKING WITH THE NEXT AMBASSADOR TO DEVELOP AN EVEN GREATER DEGREE OF UNDERSTANDING BETWEEN THE TWO COUNTRIES.

MEETING WITH NEW PEOPLE'S COMMITTEE CHAIRMAN

- 113. AMBASSADOR PETERSON CONGRATULATED LE THANH HAI ON HIS RECENT PROMOTION FROM FIRST VICE-CHAIRMAN TO CHAIRMAN OF THE HCMC PEOPLE'S COMMITTEE. HE SAID HE WAS PROUD OF THE WAY THE BILATERAL RELATIONSHIP HAS PROGRESSED, AND TOLD HAI THAT THE BTA WAS NOW IN THE HANDS OF THE U.S. CONGRESS. HE EXPECTED THE CONGRESS TO RATIFY THE BTA, BUT NOTED THAT IT MAY TAKE UP TO TWO MONTHS FOR IT TO DO SO. HE SAID HE EXPECTED THE AGREEMENT TO HAVE A SIGNIFICANT IMPACT ON THE ECONOMY AND ON THE QUALITY OF LIFE FOR THE PEOPLE OF HCMC.
- 114. CHAIRMAN HAI SAID THAT DIFFICULTIES ARE ALWAYS ENCOUNTERED AT THE BEGINNING OF NEW ENDEAVORS, BUT HE BELIEVED THE FIRST FEW YEARS OF THE NEW U.S.-VIETNAM BILATERAL RELATIONSHIP HAS YIELDED REMARKABLY GOOD UNCLASSIFIED
- PAGE 04 HO CHI 00735 03 OF 03 150910Z
 RESULTS. HE HOPED THE U.S. CONGRESS WOULD RATIFY THE
 BTA QUICKLY AND WAS CONFIDENT THE GVN WOULD DO THE
 SAME. HE SAID THE GOVERNMENT OF HCMC HAD JUST SENT A
 PROPOSAL TO THE CENTRAL GOVERNMENT OUTLINING SEVERAL
 SPECIAL MECHANISMS FOR THE CITY TO ACT MORE ON ITS OWN
 WITH REGARD TO ITS ECONOMIC DEVELOPMENT. WITH A MORE
 STREAMLINED BUREAUCRACY, HE EXPECTED THE CITY TO
 ACCELERATE ITS ALREADY HIGH ECONOMIC GROWTH RATE.
 THAT, AND RATIFICATION OF THE BTA, SHOULD ATTRACT MORE
 AMERICAN AND OTHER FOREIGN INVESTMENT TO THE CITY.
- 115. THE AMBASSADOR SAID THAT A CORNERSTONE OF THE BILATERAL RELATIONSHIP WAS THE SUPPORT THE GVN HAD PROVIDED ON THE MIA ISSUE. HE SAID THE COOPERATION BETWEEN THE TWO GOVERNMENTS ON THIS ISSUE HAD DEVELOPED INTO A PARTNERSHIP. HE EXPECTED THE UNITED STATES AND VIETNAM TO DEVELOP AN ECONOMIC PARTNERSHIP JUST AS VITAL AND HOPED FOR GREATER UNDERSTANDING AND

COOPERATION IN OTHER AREAS AS WELL AS THE RELATIONSHIP MATURED.

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